



The Publication for the Employees of the Department of Personnel & Administration

## **RICK MALINOWSKI 2002 GOVERNOR'S STAR MANAGER OF THE YEAR**

BY JEFF WOODHOUSE  
DIRECTOR OF COMMUNICATIONS &  
LEGISLATIVE AFFAIRS

Congratulations to DPA's Rick Malinowski for being recognized as the Governor's STAR Manager of the Year for 2002. He received this honor at the STAR Awards Luncheon held May 8<sup>th</sup> at the Adams Mark Hotel in downtown Denver.

In addition to serving as the Director for the Division of Central Services for the past five years, Rick was recently appointed the Director for the Division of Information Technology.

Rick was selected from a highly competitive pool of 23 nominees from across the state. "I feel truly honored to be receiving this award. If it weren't for the fantastic staffs at Central Services and Information Technologies, this would not have been possible," he said after the

luncheon. "Great employees make great managers."

One of Rick's keys to success is forging quality working relationships with his staff. By encouraging a participatory environment with input from all employees, Rick and his staff work together in a structured culture that recognizes everyone as a stakeholder. To complement this culture, Rick has incorporated employee recognition programs for both of his divisions, further pushing his staff to accomplish their professional goals.



*Rick Malinowski*

Both divisions reflect Rick's commitment to top-level service for the State of Colorado. By motivating employees to be successful, he as a manager is successful.

## **DPA EMPLOYEE OF THE YEAR BILL TAYLOR**

Bill Taylor has been named as our Department's Employee of the Year. As the Marketing and Customer Service Representative for the Division of Central Services, Bill was nominated by the Employee Council and selected by Executive



*Division of Central Services'  
Bill Taylor*

Director Troy Eid for his work with customer service, quality, and marketing strategies. Bill has also facilitated numerous functions, including assisting the Integrated Document Factory with managing change, and providing strategic planning guidance for his Division. Most recently he joined Guy Mellor in spearheading the executive management team's strategic planning process.

Bill is committed to ensuring that employees are involved and informed in the direction of their work unit, agency, and department. Bill's professionalism is obvious in his courteous manner, self-starting work ethic, and "can do" attitude. He is an asset to the Division and the Department, and reflects well upon all of us. Congratulations!

### ***ALSO IN THIS ISSUE:***

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- ▶ **"Icebergs & Tea Time," p. 7**

# DPA FIGHTS FOR EMPLOYEE BENEFITS

BY TROY A. EID

**Editor's Note:** The following is a re-print of a letter Troy Eid sent to the Joint Budget Committee in early April.

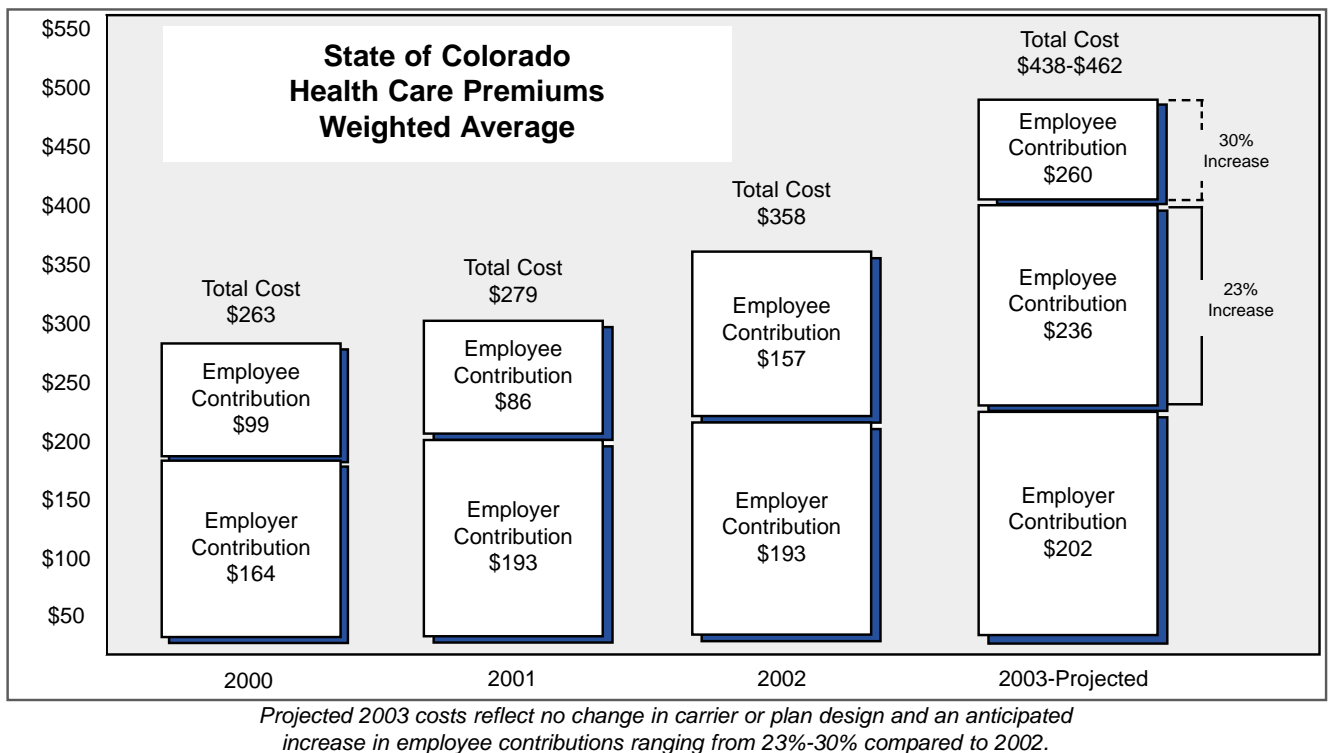
Honorable Brad Young, Chair  
Honorable Peggy Reeves, Vice Chair  
Joint Budget Committee  
Legislative Services Building  
Denver, CO 80203

Dear Representative Young and Senator Reeves:

Thank you for your continued leadership, and that of the entire Joint Budget Committee and staff, in helping Colorado state employees obtain more affordable health

**Colorado currently lacks the ability to offer potentially more affordable health insurance options to our employees in 2003.** This is despite the Governor's strong desire to offer more innovative insurance choices to our employees, as well as the overwhelming popularity that such options appear to enjoy among legislators from both political parties from across our State.

The reason: Our State currently does not self-fund its health insurance for our employees. Instead, we purchase insurance directly from fully insured carriers, who we then require to finance the risk, in an increasingly expensive and geographically limited



insurance options for themselves and their families. By working together to make affordable employee insurance a priority – especially given this year's budget challenges – the General Assembly and the Owens Administration have sent a very positive message to the entire state workforce.

Having said this, our work in making insurance more affordable for Colorado state employees is not yet done. Yes, we've made real progress this session – progress for which my department and I are grateful, and for which the Committee can take pride.

***Yet even with the increased funding, the State of***

***“open” market. Unless we act together immediately to capitalize full or partial self-funding for the State's employee insurance program, the unfortunate fact is that Colorado state employees are almost certain to face less choice and more expensive insurance costs in 2003 and beyond.***

I'll say more about the urgent need to self-fund our State's employee insurance program in a moment. But without self-funding, let me assure you that the outlook for Colorado's employee insurance program in 2003 is not what any of us would like.

Please see LETTER, p. 3

## LETTER, from p. 2

My staff and I recently began meeting with the State's current health insurance carriers as part of the contract negotiations for calendar year 2003. Suffice it to say that the carriers are not painting a very encouraging picture:

- Only 11 HMO carriers are still authorized to operate in Colorado. Of these, the State of Colorado contracts with six for employee coverage. ***All six HMOs as well as our Preferred Provider Organization (PPO) Plan carrier estimate that premiums may increase 23 to 30 percent in 2003.***

- Based on the preliminary estimates expressed by carriers, four of the seven carriers with which we do business reported losses collectively of more than \$20 million on the State of Colorado account during 2000 and 2001, and are voicing serious concern about the fiscal sustainability of such losses. Of these four:

- Aetna (HMO) representatives tell the State that unless we self-fund our insurance program with them, Aetna will not continue to provide insurance coverage to state employees in 2003.

- Rocky Mountain (HMO) is the only HMO that provides statewide coverage to Colorado state employees. Representatives from Rocky Mountain HMO say their preference would be to discontinue their relationship with the State because they believe they are in a losing situation with the State both financially and through membership. They are not optimistic about reversing what they call the fiscal "death spiral" of continuing to insure state employees under the current conditions.

- Anthem Blue Cross and Blue Shield (PPO) is interested in continuing to do business with the State. However, Anthem has asked us to begin self-funding our account. If the State chooses to remain fully insured, Anthem's representatives tell us that only dramatic plan design changes will maintain reasonable insurance premium levels.

- CIGNA (HMO) has taken the position that the State must consider significant changes to plan design to reduce a current 2003 premium increase projection of 36.8 percent. CIGNA also proposes breaking Pueblo and possibly other parts of Colorado out of the statewide blended employee insurance rate, a position that is unacceptable to me and this Department.

- Of the remaining carriers with which the State contracts:

- PacifiCare (HMO) says it will continue to work with the State but will not expand to any geographic area outside of those in which it is currently licensed.

- Kaiser (HMO) is profitable in the Denver/Boulder area but less so in Colorado Springs, and is limited to those two locations.

- San Luis Valley (HMO) is the only HMO that has indicated a desire to expand their current service area, but says it will move cautiously on this front.

Nationally, several factors are contributing to the increasing cost of employee health-insurance coverage. These include new drugs and drug therapies; the growth of diagnostic and therapeutic technology; and technological advances such as new gene therapies. In terms of prescription drug costs, Americans spent 17.1 percent more – a total of \$154.5 billion – on prescription drugs last year than in 2000, the fourth straight annual climb, according to the National Institute for Health Care Management Research and Educational Foundation. This non-profit group concluded in a report released last week that just 50 drugs of the 9,482 on the U.S. market accounted for 62 percent of the total annual increase.

Whatever the national trends, Colorado's state workforce has its own unique challenges in terms of providing health care coverage. These include the average age of our state employees – 45 and getting older – as well as the fact that we are the State's only employer with employees in all 64 Colorado counties, including some of Colorado's most expensive health care cost areas.

***The outlook for providing more affordable health insurance coverage for Colorado state employees is severely limited unless the State resumes self-funding our insurance program, as we did prior to 2000.*** This is the feedback not only from our current carriers but also from the pilot program that the Department conducted in Pueblo following the passage of the Tapia-Hernandez legislation during last fall's legislative special session. Further, it is the same response we received during preliminary discussions with Definity Health Corporation of Minneapolis, the most widely recognized defined-contribution (DC) plan currently marketed.

Innovative DC plans such as those that Definity offers have the potential to substantially reduce health care *utilization* by employees, the largest contributor to health care costs. This, in turn, may lead to lower rates. ***Yet because all DC plan options such as Definity require self-funding, they can only be made available to Colorado state employees if the State self-funds our insurance program.***

In sum, if the State of Colorado limits itself to being a market purchaser for fully insured health care plans, we

Please see LETTER, p. 4

# **BARB STUART - MAKING A DIFFERENCE IN KOSOVO**

**By JULIE POSTLETHWAIT  
COMMUNICATIONS COODINATOR, DPA**

After the September 11<sup>th</sup> attacks, many Americans were inspired to go out and make a difference in our world; they volunteered, donated money, and gave blood. But as sometimes happens, these well-intentioned efforts have fallen off. Not so with Barb Stuart of the Department of Personnel and Administration's Human Resources Division. Barb works as a workforce development strategist, but she will be leaving state employment and the United States to work in Kosovo for the Vietnam Veterans of America Foundation.

On May 1<sup>st</sup>, Barb arrived in Kosovo to begin her work as the Kosovo Chief of Mission. She will be tasked with implementing a new project called Sports for Life: Education, Rehabilitation, and Reconciliation. The program is designed to develop

sports activities for disabled youth and economically disadvantaged communities, as well as conduct disability awareness training for the youth. Barb will play a major role in educating the local children on the dangers of unexploded landmines. "It is an unfortunate reality that Kosovo's children must face," she says. "Local children need to learn how to avoid these dangers and how we can help those who have fallen victim to them so they can resume a normal life within their community."

Barb is no stranger to international travel or teaching. She has conducted five freelance consulting and training engagements in Vietnam (two of which were for the Swedish government) and has gone to Russia twice as a Fulbright Scholar. During these trips she has



*Barb, on one of her many trips to Vietnam.*

taught pluralistic and participatory management. Having made a two-year commitment to remain in Kosovo, Barb plans to develop collaborative practices among her immediate staff, donor and aid organizations, and the academic community. She will focus much of her efforts on children, believing that is where she can make the most difference.

## **LETTER, from p. 3**

will unnecessarily restrict our ability to offer innovative and potentially cost-saving options to our employees. It is therefore imperative that we return to self-funding our State's insurance program as soon as possible, with appropriate stop-loss protection to avoid any potentially catastrophic claims.

Self-funding is certainly not a panacea for rising health care costs and growing utilization. It will not necessarily lower rates, especially in the short term. However, self-funding will allow Colorado to offer innovative insurance options, such as DC plans, that hold the potential of strengthening choice and reducing health care costs and employee utilization over time. More generally, it will provide greater flexibility and control both in plan design and provider network selection, and may allow the State's administrative overhead costs to be reduced to less than the 14 to 20 percent in overhead costs that we now pay to our fully insured carriers.

DPA staff estimates that the State would require approximately \$10 million to fully self-fund. We recognize that this is not possible given the budgetary

environment facing the State. However, we would like to work with the JBC and the General Assembly in moving toward self-funding sooner rather than later.

This may involve partial self-funding. One example might be to carve out the prescription benefit portion of the current benefit plans and self-fund prescriptions through a Prescription Benefit Management (PBM) group. Other ideas to help us return to self-funding include initiating a surcharge on employee contributions to be held in trust while we build a fund balance, say \$10 per month per employee for three years. These are but a few initial ideas. I look forward to working with you to identify other potential options.

Thank you for your consideration and best regards.

Sincerely,

Troy A. Eid  
Executive Director

Cc: All State Senators and Representatives  
Governor Owens and Cabinet  
University and college presidents  
Commissioner Kirven



## JENNIFER OKES DPA'S EMPLOYEE OF THE MONTH FOR MAY

Jennifer, DPA's Chief Financial Officer, was selected because of her tireless work to bring alignment between the budget, finance, and contracting functions of the department, all while dealing with the worst financial situation in state government in 20 years. She has gone to great lengths to improve communications with the customers, both internally and externally to the department, which has helped to improve the Department's credibility. Jennifer's dedication, loyalty, and contributions make a difference to the Executive Office and the entire Department.



*Congratulations to DPA's CFO, Jennifer Okes.*



*Hundreds turned out for the Disabled Job Fair held at the Hyatt Regency in downtown Denver.*

## HRD EMPLOYEE JOE LEWIS HELPS HOST DISABLED JOB FAIR

Joe Lewis and the Colorado Coalition for Persons with Disabilities hosted a job fair last month for people with disabilities. The fair was a rousing success, with 38 businesses and approximately 600 job seekers participating at the fair.

Joe who works as an EEO Specialist for People with Disabilities at DHR, was quite pleased with the turnout. "We were only expecting around 400 job seekers," says Joe. "There were many companies trying to fill good positions."

## UNITED AIRLINES OFFERS STATE EMPLOYEES 15% DISCOUNT

The Statewide Travel Management Program is pleased to notify you of an airfare sale for your personal travel to all employees of the State of Colorado and to all employees of all political subdivisions of the State of Colorado. United requires that the employees follow certain ticketing procedures and that the employee display a picture identification showing government employee status within Colorado.

Be sure to book your flight no later than **May 17, 2002**. All travel must be completed by **June 13, 2002**.

For the necessary information check out the Web site at: [www.state.co.us/gov\\_dir/gss/cen/travel1/stmp/unitedspecial](http://www.state.co.us/gov_dir/gss/cen/travel1/stmp/unitedspecial)

## WHO IS THAT ?

Wow, we have been able to stump you all! We have decided to give you another chance, but this time we have given you a hint: *he has graduated from playing with balls to playing with numbers.*

Tell us who this number cruncher is and win a prize. Call Julie at **303-866-6095** or email her at [julie.postlethwait@state.co.us](mailto:julie.postlethwait@state.co.us)



## LETTERS OF APPRECIATION

The Honorable Ken Salazar  
Attorney General of the State of Colorado  
1525 Sherman, 5<sup>th</sup> Floor  
Denver, Colorado 80203

Mr. Arthur L. Barnhart  
Colorado State Controller  
1525 Sherman  
Denver, Colorado 80203

Dear Mr. Attorney General and Mr. Barnhart:

The Colorado Division of Wildlife just entered into a contract for the design development and operation of a computerized hunting and fishing licensing program, the Total Licensing Program (TLP). As you are aware, the Division's licensing program is a multi-million dollar business operation that funds the State's wildlife management and recreation. The new technology will provide a modern and efficient system for license sales and record keeping. Our customers and license agents will benefit greatly from this new system.

The contract for the system involved significant innovations and legal/fiscal issues. We were able to resolve these matters and execute an agreement for what we believe is a promising new step for the Division. I want to express my appreciation for the assistance provided by Mr. Phil Holtmann and the Controller's legal counsel, Assistant Attorney General Robert Bowers. The Division's LTP project leader and contract staff came to these gentlemen with the challenges posed by the contract. Mr. Holtmann and Mr. Bowers worked closely with my staff to redraft an approvable contract that meets the Division's needs for the future, while satisfying state fiscal requirements.

On behalf of the Division of Wildlife, I'd like to express our appreciation for their time and effort and the expeditious review of the final documents, which allowed the Division to begin working on this very important, time-critical project.

Sincerely,

Russell George  
Director of the Division of Wildlife

## KUDOS CORNER

Troy Eid and Jeff Schutt received the following email from Gary Berline of Division of Wildlife:

Troy and Jeff, for the past couple of weeks, I have been bombarding your staff with technical PFP questions. I just wanted you to know that their immediate and professional response has been great.

I'd like to specifically thank **Laurie Benallo**, **Pat Romero** (working through Laurie), and **Don Fowler**. They have been great! Whenever I need something from anyone at the Division of Human Resources, I never hesitate to ask and they never fail to provide.

**Diana Dixon** of IDF received thanks from Cindy Nunez of the Front Range Community College. Diana caught a typo in one of the college's projects.

## PERSONNEL CHANGES

### New Employees:

Vincent Scarsbrook (EO)  
Michaela Spolar (DOAH)  
Luther Guy (DoIT)  
Leroy Williams (EO)

### Promotions:

Arthur Obregon (DCS)  
Audrey Aultman (DCS)  
Robert Abeyta (DCS)  
Christopher Wood (DCS)  
David Belmear (DCS)  
Suzanne Regan (DHR)  
Joe Czajka (DHR)  
Jan Malone (DHR)

### Departing Employees:

Susan Montoya (DoIT)  
Robbin Lemmer (HRD)  
Barb Stuart (HRD)  
Michael Salaz (HRD)  
Ruby James (HRD)  
Randall Gray (DCS)  
Michael Aguilar Jr (DCS)

### Retirements:

Clayton Powers (DoIT)

**YOUR Employee Council is busy planning the upcoming  
Employee Appreciation Picnic.  
Please support their fundraising efforts.**

# ICEBERGS & TEA TIME

BY PAUL FARLEY

Lightoller was stuck to the ventilation grate, going down with the ship, and beginning to drown. He began to think of the Psalm: "He will give His angels charge over thee, to keep thee in all thy ways." Suddenly a blast of hot air came from deep within the ship – probably the icy seawater coming into contact with the ship's boilers – and blew him to the surface. He was floating alongside the overturned canvas boat, and managed to grab a rope attached to it.

Just then the 60-ton forward funnel broke loose and came crashing down on dozens of people in the water. It missed Lightoller by inches, but created a huge wave that threw both him and the lifeboat perhaps 50 yards, well clear of the ship. There were several men clinging to the overturned boat, and others swimming towards it. Lightoller turned to see the *Titanic's* stern swing up in the air, and then slowly sink out of sight. "*What I remember about that night — what I will remember as long as I live — is the people crying out to each other as the stern began to plunge down. I heard people crying, 'I love you.'*"

Eventually, about 30 men got on top of the overturned boat. It was slowly sinking and as they stood up the water was already over their feet. One of the men suggested it might be a good time to pray. Each man called out his religion – Catholic, Methodist, Presbyterian – and the consensus was that they would all say the Lord's Prayer together. After a couple of hours, the freezing water was creeping up their legs, and the sea was beginning to become rough. To keep the boat from capsizing, Lightoller directed the men in leaning with the waves — to the left, or to the right. Three men died of exposure during the night.

By the first early glow of dawn, the outlines of dozens of icebergs, some 200 feet high, could be seen; and, off in the distance, the running lights of the steamer *Carpathia* came into view. Having received the radio distress calls, it worked its way through 60 miles of ice fields, and began taking people off of the lifeboats. Lightoller was worried the sinking, overturned boat would not be seen until it was too late. Then he remembered the whistle that had been issued when each officer boarded the *Titanic*. The two nearest lifeboats responded to its high, shrill sound and came over to take them off. Lightoller was now in a lifeboat that was itself greatly overloaded and in danger of sinking.

Lightoller's boat was the last one reached by the

*Carpathia*, just as waves began to break over its bow. Rope ladders were lowered, and Lightoller helped all the other survivors out before he climbed aboard himself. He was the last *Titanic* survivor to be rescued.

But Lightoller's adventures were far from over. In 1913, he returned to active duty as First Officer of the *Oceanic*. The following year, with the outbreak of World War I, the *Oceanic* was converted into an armed merchant cruiser, and Lightoller was commissioned as a Lieutenant. However, for some reason the Royal Navy thought a 17,000-ton ocean liner was ideally suited for patrols along the rocky coast of the Shetland Islands. Predictably, the *Oceanic* soon ran aground on a reef and had to be abandoned.

After a stint on a seaplane carrier, "Lights" was put in command of first a torpedo boat, and then later a destroyer, the *Falcon*. One foggy night in the North Sea in April 1918, a fishing trawler collided with and severely damaged the *Falcon*. Lightoller sent his crew away in the lifeboats while he and two senior men stayed behind to try to save the ship. A short time later the old destroyer broke in half, and the bow section quickly sank. Strangely, however, the rear portion of the ship stayed afloat at an odd angle, the stern riding so low that the exposed bulkheads were above the choppy seas. Lightoller had a dim hope that they could hang on until morning, when they could be towed into port, but there



*The overturned canvas-sided lifeboat.*

was nothing immediate they could do about it. So they did the only thing good Englishmen could do: they went to his cabin and put on a pot of tea. While they chatted, they listened to a phonograph, periodically putting another book under one side to keep it level as the ship tilted more and more.

Unfortunately, around 2:20 AM the stern of the ship finally dipped under the waves, and began to rapidly take on water. The men dashed from the cabin and dove into the water, frantically swimming away as the remainder of the *Falcon* plunged to the bottom. As they clung to pieces of floating wreckage, Lightoller noted that the sea wasn't nearly as cold as that night six years earlier, and figured they could probably make it until dawn before exposure claimed them. About a half-hour later, they heard the distant rumble of a ship. As it drew closer, two things became obvious: (1) it was a rescue ship approaching at top speed, and (2) no one on the ship knew there were men in the water. In fact, the ship was only yards away, and heading right for them, and they could not hope to swim out of the way in time.

*Next month - the thrilling conclusion:  
"Lights' in the Twilight"*